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APPENDIX.

• [Vide item IV (3) on page 132 supra.]

THE MADRAS AGRICULTURAL PRODUCE MARKETS
BILL, 1959 (L.A. BILL No. 9 OF 1959).

[*Note.*—The changes made are sidelined or underlined and the portions omitted are indicated by dots.]

A Bill to provide for the better regulation of buying and selling of agricultural produce and the establishment and proper administration of markets for agricultural produce in the State of Madras.

WHEREAS it is expedient to provide for the better regulation of buying and selling of agricultural produce and the establishment and proper administration of markets for agricultural produce in the State of Madras;

BE it enacted in the Tenth Year of the Republic of India as follows :—

1. *Short title, extent and commencement.*—(1) This Act may be called the Madras Agricultural Produce Markets Act, 1959.

(2) It extends to the whole of the State of Madras.

(3) It shall come into force on such date as the Government may, by notification, appoint; and different dates may be appointed for different areas and for different provisions of this Act.

2. *Definitions.*—In this Act, unless the context otherwise requires,—

(i) “ agricultural produce ” includes anything
 produced in the course of agriculture and any other produce, whether processed or unprocessed, declared by the Government, by notification, to be an agricultural produce for the purposes of this Act;

(ii) “ agriculture ” includes horticulture, fruit growing, and seed growing, ... and “ agricultural ” shall be construed accordingly;

a (iii) “ Collector ” means the Collector of the district in which the notified area is situated or if such area is situated in two or more districts, the Collector of one of those districts designated by the Government in that behalf;

(iv) “ co-operative marketing society ” means any co-operative society registered or deemed to be registered under the Madras Co-operative Societies Act, 1932 (Madras Act VI of 1932), or under the Travancore-Cochin Co-operative Societies Act, 1951 (Travancore-Cochin Act X of 1952), which has, as its principal object, the promotion of the sale of the agricultural produce grown, reared or produced by its members;

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(v) " Director " means the Director of Agriculture, Madras, and includes any other person or authority authorized by the Government, by notification, to perform the functions of the Director under this Act for such area as may be specified in the notification;

(vi) " Government " means the State Government;

* * * *

(vii) " market " means any market established under sub-section (3) of section 5;

(viii) " market committee " means any market committee established under sub-section (1) or sub-section (2) of section 5;

(ix) " notified agricultural produce " means any agricultural produce specified in the notification under section 4;

(x) " notified area " means any area notified under section 4 as altered by any notification under section 7;

(xi) " notified market area " means any area notified under sub-section (4) of section 5 as altered by any notification under section 7;

(xii) " person " means an individual or a company or an association or a body of individuals, whether incorporated or not, and includes a local authority.

Explanation.—In this clause, " local authority " has the meaning assigned to it in clause (20) of section 3 of the Madras Public Health Act, 1939 (Madras Act III of 1939);

(xiii) " producer " means any person who grows, rears or produces by himself or by hired labour or otherwise any agricultural produce, but does not include a dealer or broker in that produce, although he may grow, rear or produce, that produce.

If any question arises whether any person is a producer or not for the purposes of this Act, the decision of the Collector shall, subject to the provision of section 34, be final. The decision of the Collector shall be in accordance with such procedure as may be prescribed.

(xiv) " Registrar " means the Registrar of Co-operative Societies, Madras.

3. Notification of intention of exercising control over purchase and sale of agricultural produce in specified area.—The Government may, by notification, declare their intention of exercising control over the purchase and sale of such agricultural produce and in such area as may be specified in the notification. Such notification shall state that any objections or suggestions which may be received by the Government, within a period to be specified in the notification, will be considered by them.

A copy of the notification shall be published in such manner as may be prescribed by rules made under this Act.

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4. Declaration of notified area.—(1) After the expiry of the period specified in the notification under section 3 and after considering such objections and suggestions as may be received before such expiry, the Government may, by notification, declare the area specified in the notification under section 3 or any portion thereof to be a notified area for the purposes of this Act in respect of any agricultural produce specified in the notification under that section.

A copy of the notification shall be published in such manner as may be prescribed by rules made under this Act.

(2) A notification published under section 3 or under sub-section (1) shall have full force and effect notwithstanding . . . any irregularity or defect in the publication of a copy of the notification under section 3 or under sub-section (1), as the case may be.

5. Establishment of market committee.—(1) The Government shall establish a market committee for every notified area. It shall be the duty of the market committee to enforce the provisions of this Act and the rules and by-laws made thereunder in such notified area.

(2) (a) Notwithstanding anything contained in sub-section (1), where any co-operative marketing society offers to undertake the enforcement of the provisions of this Act and the rules and by-laws made thereunder in any notified area, it may apply to the Government through the Registrar in such manner and with such particulars as may be prescribed. The Registrar shall after making such enquiry as he deems necessary forward the application to the Government with his remarks thereon.

(b) If, on considering the remarks of the Registrar under clause (a), the Government are satisfied that the co-operative marketing society may fulfil the offer, they may, by order direct the co-operative marketing society to establish a market committee consisting of members not exceeding eighteen.

(3) Every market committee shall establish in the notified area such number of markets providing for such facilities, as the Government may from time to time direct, for the purchase and sale of the notified agricultural produce.

(4) The Government shall, as soon as may be, after the establishment of a market by a market committee under sub-section (3), declare, by notification, the area of the market and such area around the market as may be specified in the notification to be a notified market area for the purposes of this Act in respect of any notified agricultural produce :

Provided that the Government shall include in the notification under this sub-section the area in respect of which any co-operative marketing society which has established a market committee under sub-section (2), carries on its business :

Provided further that the Government may subject to such rules as may be made include in the notification under this sub-section the area in respect of which any co-operative marketing society carries on its business.

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6. Trading in agricultural produce in notified area.—(1) No person shall, within a notified area, set up, establish or use, or continue or allow to be continued, any place for the purchase or sale, storage, weighment, pressing or processing of any notified agricultural produce, except under and in accordance with the conditions of a licence granted to him by the market committee :

Provided that the market committee may exempt from the provisions of this sub-section any person who carries on the business of purchasing or selling any notified agricultural produce in any quantity not exceeding that prescribed by rules made under this Act :

Provided further that a producer selling his notified agricultural produce which has been grown, reared or produced by him, or a co-operative marketing society selling notified agricultural produce which has been grown, reared or produced by any of its members, shall be exempt from the provisions of this sub-section, but the Government may withdraw for such period as may be prescribed such exemption in respect of any such producer or co-operative marketing society or all of them or impose such penalty as may be prescribed.

(2) Nothing contained in sub-section (1) shall apply to a person purchasing notified agricultural produce for his own domestic consumption in any quantity not exceeding that prescribed by rules made under this Act.

(3) A licence under sub-section (1) may be refused to a person—

(i) whose licence was cancelled and three years have not elapsed since the date of the cancellation;

(ii) who has been convicted of an offence, or been guilty of misconduct . . . , affecting the said person's integrity as a man of business;

(iii) in regard to whom the market committee is satisfied after such enquiry as it considers adequate, that he is a *benamidar* for, or a partner with, any other person to whom a licence may be refused under clause (i) or (ii); or

(iv) if the market committee . . . : finds that the grant of the licence in respect of any place situated within a distance of five miles from the notified market area is likely to affect the levy of cess under section 18 or the transaction of sale or purchase of the notified agricultural produce in the market.

(4) If a market committee is satisfied, either on a reference made to it in this behalf, or otherwise, that—

(a) a licence granted under sub-section (1) has been obtained by misrepresentation or fraud, or

(b) the holder of a licence has contravened, or failed to comply with, any of the provisions of this Act or the rules or by-laws made thereunder or any of the conditions of the licence, then, without prejudice to any other penalty to which the holder

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of the licence may be liable under this Act, the market committee may, subject to such rules as may be made under this Act, cancel or suspend the licence, after giving the holder of the licence a reasonable opportunity of showing cause against such cancellation or suspension.

(5) Any person aggrieved by the decision of the market committee refusing to grant or cancelling or suspending a licence may, within such time as may be prescribed by rules made under this Act, appeal to the Collector and the Collector may make such order in the case as he may think fit.

(6) A licence granted under sub-section (1) shall be valid for a financial year and shall be renewed from financial year to financial year and the provisions of this Act shall, so far as may be, apply in relation to the renewal of a licence as they apply in relation to the grant of a licence.

(7) Every person to whom a licence is granted under sub-section (1) shall comply with the provisions of this Act, the rules and by-laws made thereunder and the conditions specified in the licence.

7. Power of Government to alter notified area or notified market area.—The Government, may, by notification—

(a) exclude from any notified area or from any notified market area any area comprised therein, or

(b) include in any notified area or in any notified market area any new area :

Provided that the power conferred by this section shall, in relation to any notified area, be subject to the provisions of section 3.

8. Constitution of market committee by election.—(1) Every market committee, other than a market committee established by a co-operative marketing society under sub-section (2) of section 5, shall consist of members not exceeding eighteen and shall be constituted in the manner hereinafter specified.

(2) Each of the following electorates shall elect as members, from among the persons comprising it, to the market committee :—

(a) producers of the notified agricultural produce in the notified area;

(b) persons licensed under sub-section (1) of section 6 in the notified area in respect of the notified agricultural produce.

(3) The number of members to be elected under clause (a) of sub-section (2) shall be nine and the number of members to be elected under clause (b) of that sub-section shall be four.

(4) The Government may appoint to every market committee one producer residing in the notified area on the recommendation of the Registrar to represent co-operative interests.

(5) The Government may appoint to every market committee such number of members as they think fit, not exceeding three :

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Provided that where a market committee is established for any notified area for the first time—

(i) the Government shall appoint all the members of such committee for a period of one year; and

(ii) if before the expiry of the period of one year aforesaid the elections of members to the market committee could not be held or if, for any reason the Government consider it desirable that the market committee should consist solely of members appointed by them, they may extend the term of office of all or any of the members appointed under clause (i), or appoint new members in their places for such period or periods not exceeding one year in the aggregate as they think fit.

9. *Constitution of market committee by co-operative marketing society.*—Every market committee established by any co-operative marketing society under sub-section (2) of section 5 shall consist of the following members, namely :—

(i) nine persons appointed by the co-operative marketing society from among the producers of the notified agricultural produce in the notified area and who are members of the said society;

(ii) four persons appointed by the co-operative marketing society from among the licensed under sub-section (1) of section 6 in the notified area in respect of the notified agricultural produce and who are members of the said society :

Provided that where a market committee is established for any notified area for the first time, the co-operative marketing society shall appoint four persons from among the persons engaged in the purchase, sale, storage, weighment, pressing or processing of the notified agricultural produce in the notified area.

(iii) Four persons appointed by the Government.

10. *District Agricultural Officer to be ex-officio member.*—The District Agricultural Officer having jurisdiction over the notified area shall *ex-officio* be a member of the market committee established for such area.

Explanation.—Where there are two or more District Agricultural Officers having jurisdiction over different portions of a notified area, the Government shall decide which of such officers shall be the District Agricultural Officer for the purposes of this section.

1. *Term of office of members, etc.*—(1) (a) The term of office of an elected member shall be five years from the date of occurrence of the vacancy to which he was elected or from the date of his election, whichever is later. The term of office of a member appointed under sub-section (5) of section 8, other than a member appointed under the proviso to that sub-section, shall expire on the date on which the term of office of elected members expires :

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Provided that a member elected under clause (b) of sub-section (2) of section 8 shall cease to hold his office if he ceases to be a member of the electorate by which he was elected;

(b) The term of office of the members of a market committee established by a co-operative marketing society shall be three years :

Provided that a member appointed under clause (ii) of section 9 shall cease to hold his office if he is not granted a licence or ceases to be licensed under sub-section (1) of section 6 in the notified area.

(2) A member of every market committee other than the ex-officio member shall cease to hold his office if he absents himself from three consecutive meetings of the market committee, including meetings which for want of quorum could not be held.

(3) When the seat of any member becomes vacant, the vacancy shall be filled up—

(i) in case he was an elected member, by a person co-opted by the market committee from among the members of the electorate by which the member was elected;

(ii) in case he is a member appointed by a co-operative marketing society, by a person appointed by the said society; and

(iii) in any other case by a person appointed by the Government :

Provided that no casual vacancy shall be filled up within three months before the expiry of the term of office of the elected members.

(4) The member co-opted or appointed to fill up a vacancy under sub-section (3) shall hold office only so long as the member in whose places he is co-opted or appointed would have been entitled to hold office if the vacancy did not occur.

(5) For the purposes of sub-section (2) no meeting of the market committee from which a member absents himself shall be counted against him if due notice of that meeting was not given to him.

(6) Where a person ceases to be a member under sub-section (2) the chairman shall at once intimate the fact in writing to such person and report the same to the market committee at its next meeting. If such person applies for restoration *suo motu* to the market committee on or before the date of the next meeting, or within fifteen days of the receipt by him of such intimation, the market committee may at the meeting next after the receipt of such application, restore him to his office of member :

Provided that a member shall not be so restored more than twice during his term of office.

(7) Any member of a market committee may at any time be removed from office by the Government for any of the reasons specified in the rules made under this Act.

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(8) Vacancies caused by the expiry of the term of office of elected members of any market committee may be filled at elections which may be fixed by the Collector to take place on such days not earlier than two months before the date on which the vacancies arise as he thinks fit.

(9) Every market committee shall elect one of the members who is a producer of the notified agricultural produce in the notified area to be its chairman and another member to be its vice-chairman.

12. *Special provision where there is delay in the reconstitution of new market committee.*—Where the term of office of the members of a market committee has expired and if, for any reason, there is delay in the reconstitution of the market committee, those members shall, notwithstanding the expiration of their term of office, continue to hold office and function as members of the market committee until the market committee is reconstituted.

13. *Incorporation of market committee.*—Every market committee shall be a body corporate by such name as the Government may specify shall have perpetual succession and a common seal, may sue and be sued in its corporate name, and shall be competent to acquire and hold property, both movable and immovable, to lease, sell or otherwise transfer any movable or immovable property which may have become vested in, or been acquired by it, and to contract and to do all other things necessary for the purposes for which it is established.

14. *Sub-committee, special committee and delegation of powers.*—The market committee may appoint one or more of its members to be a sub-committee or to be a special committee for the conduct of any work or to report on any matter and may delegate to any one or more of its members such of its own powers or duties as it may think fit.

15. *Meetings.*—(1) The market committee may, at any time, call a general meeting of the market committee and shall call such a meeting within one month after receipt of a requisition in writing from the Director or from such number of members or proportion of the total number of members as may be specified in the by-laws of the market committee.

(2) If a general meeting is not called in accordance with such requisition the Director shall have power to call a general meeting of the market committee.

16. *Appointment and salaries of officers and servants of market committee.*—(1) Subject to such rules as may be made under this Act, a market committee may employ such officers and servants as may be necessary for the management of the market, may pay such officers and servants such salaries as it may think fit and shall have power to control and punish them. The market committee may also provide for the payment to its officers and servants of such leave allowances, pensions, gratuities or compassionate allowances,

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as it deemes proper; and may contribute to any provident fund which may be established for the benefit of such officers and servants.

(2) The market committee shall, in the case of any servant of the Government whom it employs, make such contributions towards his pension and leave allowances as may be required, by the conditions of his service under the Government, to be paid by him or on his behalf.

(3) The chairman, vice-chairman and every officer or servant of a market committee shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code (Central Act XLV of 1860).

17. Execution of contracts.—(1) Every contract entered into by the market committee shall be in writing and shall be signed on behalf of the market committee by the chairman and two other members of the market committee or if the market committee has been superseded, by the person or persons appointed under sub-section (3) of section 24.

(2) No contract other than a contract executed as provided in sub-section (1) shall be binding on a market committee.

18. Levy of cess by market committee.—(1) Notwithstanding anything contained in the Madras General Sales Tax Act, 1959 (Madras Act I of 1959), the market committee shall levy a cess by way of sales tax on any notified agricultural produce bought or sold in the notified market area at such rates as the Government may, by notification, determine.

Explanation.—For the purposes of this sub-section, all notified agricultural produce taken out or proposed to be taken out of a notified market area shall, unless the contrary is proved, be presumed to be bought or sold within such area.

(2) The cess referred to in sub-section (1) shall be paid by the purchaser of the notified agricultural produce concerned :

Provided that where the purchaser of a notified agricultural produce cannot be identified, the cess shall be paid by the seller.

(3) The cess levied under sub-section (1) shall be subject to the provisions of Article 286 of the Constitution.

(4) (a) At any time, when so required by any officer or servant of the market committee who is empowered by the Government in this behalf, the driver or any other person-in-charge of any vehicle, boat or other conveyance, which is taken or proposed to be kept out of a notified market area shall stop the vehicle, boat or other conveyance, as the case may be, and keep it stationary as long as may reasonably be necessary, and allow the officer or servant empowered as aforesaid to examine the contents in the vehicle, boat or other conveyance and inspect all records relating

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to the notified agricultural produce carried, which are in the possession of such driver or other person-in-charge, who shall, if so required, given his name and address and the name and address of the owner of the vehicle, boat or other conveyance.

(b) The officer or servant of the market committee empowered as aforesaid shall have power to seize any notified agricultural produce taken, or proposed to be taken, out of a notified market area in any vehicle, boat or other conveyance, if such officer or servant has reason to believe that any cess, fee or other amount due under this Act in respect of such notified agricultural produce has not been paid. Such seizure shall be forthwith reported by the officer or servant aforesaid to a Magistrate having jurisdiction to try an offence under this Act and the provisions of sections 523, 524 and 525 of the Code of Criminal Procedure, 1898 (Central Act V of 1898), shall, so far as may be, apply in relation to the notified agricultural produce seized as aforesaid as they apply in relation to property seized by a police officer.

19. Levy of subscriptions for market reports, etc.—The market committee may, subject to such rules as may be made under this Act, levy a subscription for collecting and disseminating among the subscribers, information as to any matter relating to statistics or marketing in respect of the notified agricultural produce.

20. Market Committee Fund.—(1) All moneys received by a market committee shall be paid into a fund to be called the "Market Committee Fund". All expenditure incurred by the market committee under or for the purposes of this Act shall be defrayed out of the said fund; and any surplus remaining after such expenditure has been met shall be invested in such manner as may be prescribed by rules made under this Act.

(2) (a) Every market committee shall, out of its fund, pay to the Government the cost of any special or additional staff employed by the Government in consultation with the market committee for giving effect to the provisions of this Act in the notified area.

(b) The Government shall determine the cost of such special or additional staff and shall, where the staff is employed for the purposes of more than one market committee, apportion such cost among the market committees concerned in such manner as they think fit. The decision of the Government determining the amount payable by any market committee shall be final.

21. Purposes for which the fund may be expended.—Subject to the provisions of section 20, the Market Committee Fund shall be expended for the following purposes only :—

(i) the acquisition of a site or sites for the market;

(ii) the maintenance and improvement of the market;

(iii) the construction and repair of buildings which are necessary for the purposes of such market and for the health, convenience and safety of the persons using it;

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(iv) the provision and maintenance of standard weights and measures;

(v) the pay pensions, leave allowances, gratuities, compassionate allowances and contributions towards leave allowances, pensions or provident fund of the officers and servants employed by the market committee;

(vi) the payment of interest on loans that may be raised for purposes of the market and the provision of a sinking fund in respect of such loans;

(vii) the collection and dissemination of information regarding all matters relating to statistics and marketing in respect of the notified agricultural produce;

(viii) schemes for the extension or cultural improvement of the notified agricultural produce within the notified area, including the grant, subject to the approval of the Government, of financial aid to schemes for such extension or improvement within such area, undertaken by other bodies or individuals;

(ix) schemes for grading of agricultural produce;

(x) the expenses of and incidental to elections;

(xi) such other purposes as may be authorised by the Director or the Government in this behalf of general or special order.

22. No trade allowance permissible except as prescribed by rules or by-laws.—No trade allowance, other than an allowance prescribed by rules or by-laws made under this Act, shall be made or received in a notified area by any person in any transaction in respect of the notified agricultural produce concerned and no Civil Court shall, in any suit or proceeding arising out of any such transaction, have regard to any trade allowance not so prescribed.

Explanation.—Every deduction other than deductions on account of deviation from sample, when the purchase is made by sample; or of deviation from standard, when the purchase is made by reference to a known standard, or on account of difference between the actual weight of the sacking and the standard weight, or on account of the admixture of foreign matter, shall be regarded as a trade allowance for the purposes of this Act.

23. Power to borrow.—(1) Every market committee may, with the previous sanction of the Government, raise the money required for carrying out the purposes for which it is established on the security of any property vested in, or belonging to, the market committee and of any fee or cess leviable by the market committee under this Act. The market committee may, for the purpose of meeting the initial expenditure on lands, buildings and equipment required for establishing the market, obtain a loan from the Government.

(2) The conditions under which such money or loan shall be raised and the time within which the same shall be repayable shall be subject to the previous sanction of the Government.

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24. Supersession of market committee.—(1) If, in their opinion, a market committee is not competent to perform, or persistently makes default in performing, the duties imposed on it by or under this Act, or abuses its powers, the Government may, by notification, supersede such market committee for a period not exceeding one year in the first instance and may, by order, extend, for a period not exceeding one year at a time, the period of supersession so however that the total period of supersession in the case of any market committee shall not exceed four years :

Provided that, before issuing a notification under this sub-section, the Government—

(i) shall give a reasonable opportunity to the market committee of showing cause against the proposal and shall consider the explanations and objections, if any, of the market committee; and

(ii) may, at their discretion, consult such authority or officer as they may deem fit.

(2) Upon the publication of a notification under sub-section (1) superseding a market committee, the following consequences shall ensue :—

(a) all the members as well as the chairman the vice-chairman of the market committee shall, as from the date of such publication, be deemed to have vacated their offices; and

(b) all the assets vested in the market committee shall, subject to all its liabilities, vest in the Government.

(3) When a market committee has been superseded—

(a) the Government may, at their discretion, by order, appoint a suitable person or persons to carry out the functions of the market committee and transfer to such person or persons the assets and liabilities of the superseded market committee as on the date of such transfer; and

(b) at any time before the expiry of the period of supersession, the Government may,—

(i) establish a new market committee under sub-section (1) of section 5, or

(ii) direct the co-operative marketing society concerned to establish a new market committee under sub-section (2) of section 5,

and transfer thereto all the assets and liabilities of the superseded market committee as on the date of such transfer.

25. Penalties.—Any person who—

(a) fraudulently evades the payment of any fee, cess, or other amount due from him under this Act or the rules or by-laws made thereunder, or

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(b) wilfully acts in contravention of any of the provisions of this Act,

shall be liable to find which may extend to five hundred rupees, and in the case of a continuing evasion or contravention with a further fine which may extend to one hundred rupees for every day during which the evasion or contravention is continued after conviction therefor.

26. Liability of accused to pay fee, cess, or other amount.—

Every person who is prosecuted for an offence under section 25 or the rules or by-laws made under this Act shall be liable, on proof to the satisfaction of the Magistrate that he wilfully omitted to pay the fee, cess or other amount due from him under this Act or the rules or by-laws made thereunder, to pay to the market committee the amount which may be due from him on account of such fee, cess, or other amount.

27. Composition of offences.—The market committee may accept from any person who has committed or is reasonably suspected of having committed an offence against this Act or the rules or by-laws made thereunder, by way of composition of such offence—

(a) where the offence consists of the failure to pay or the evasion of any fee, cess or other amount recoverable under this Act or the rules or by-laws made thereunder, in addition to the fee, cess or other amount so recoverable a sum of money not exceeding five hundred rupees or double the amount of the fee, cess or other amount whichever is greater; and

(b) in other cases, a sum of money not exceeding five hundred rupees.

28. Power of Magistrate to recover summarily fee, cess, or other amount.—Whenever any person is convicted of an offence under this Act or the rules or by-laws made thereunder, the Magistrate shall, in addition to any fine which may be imposed, recover summarily and pay over to the market committee, the amount of fee, cess, or other amount due from him under this Act or the rules or by-laws made thereunder and may, in his discretion, also recover summarily and pay over to the market committee such amount, if any, as he may fix as the costs of the prosecution.

29. Rules.—(1) The Government may, by notification, make, either generally or specially for any notified area or areas, rules for carrying out all or any of the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for or regulate—

(i) the election, appointment, co-option and removal of members of a market committee; the preparation and revision of lists of electors; and the payment of all expenditure in connexion with or incidental to elections;

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(ii) the election of the chairman and vice-chairman of a market committee and their term of office;

(iii) the filling of casual vacancies in the office of the chairman, vice-chairman or member of a market committee;

(iv) the annual fees that may be levied by the market committee in respect of licences granted under section 6 and the recovery of such fees;

(v) the maximum rates of subscriptions which may be levied by the market committee under section 19 and the recovery of such subscriptions;

(vi) the manner of collection of cess;

(vii) the issue by a market committee of licences to brokers, weighmen, measurers and surveyors, the form in which, and the conditions subject to which, such licences shall be issued or renewed, and the fees to be charged therefor;

(viii) the kind and description of the scales, weights and measures, which alone may be used in transactions in the notified agricultural produce concerned in a notified area;

(ix) the periodical inspection, verification and correction of all scales, weights and measures in use in a notified area and the seizure of scales, weights and measures found to be false;

(x) the trade allowances which may be made or received by any person in any transaction in the notified agricultural produce in a notified area;

(xi) the provision of facilities for the settlement of any dispute between a buyer and seller of the notified agricultural produce or their agents including disputes regarding the quality or weight of the article, the allowances for wrappings, dirt or impurities or deductions from any cause;

(xii) the prohibition of brokers from acting in any transaction on behalf of both the buyer and seller of any notified agricultural produce;

(xiii) the provision of accommodation for storing any notified agricultural produce brought into the market;

(xiv) the preparation of plans and estimates for works proposed to be constructed partly or wholly at the expense of the market committee, and the grant of sanction to such plans and estimates;

(xv) the procedure to be followed by a market committee in respect of financial matters generally, including the manner in which, and the restrictions and conditions subject to which, expenditure may be incurred by it;

(xvi) the form in which the accounts of a market committee shall be kept, the audit and publication of such accounts, and the charges, if any, to be made for such audit;

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(xvii) the powers of auditors and the Director to disallow and surcharge items and the recovery of sums so disallowed and surcharged;

(xviii) the institution of provident funds;

(xix) the preparation and submission for sanction of an annual budget and the reports and returns to be furnished by a market committee;

(xx) the investment and disposal of the surplus funds of a market committee;

(xxi) the prevention of adulteration of notified agricultural produce;

(xxii) the maintenance of standards of notified agricultural produce;

(xxiii) the provision for affording facilities for settlement of debts charged on notified agricultural produce;

(xxiv) any other matter which has to be or may be, prescribed.

(3) Any rule made under this section may provide that any contravention thereof or of any of the conditions of any licence issued or renewed thereunder shall be punishable with fine which may extend to two hundred rupees.

(4) All rules made and all notifications issued under this Act shall, as soon as possible after they are made or issued, be placed on the table of both the Houses of the Legislature and shall be subject to such modifications by way of amendment or repeal as the Legislature may make either in the same session or in the next session.

30. By-laws.—(1) Subject to any rules made by the Government under section 29 and with the previous sanction of the Director, a market committee may, in respect of the notified area for which it was established, make by-laws for the regulation of the business and the conditions of trading therein :

Provided that where a market committee fails to make by-laws under this sub-section within one month from the date of its establishment, the Director may make such by-laws as he thinks fit and the by-laws so made shall be deemed to be by-laws made by the market committee and may be amended or varied by the Director or, with his previous sanction, by the market committee.

(2) Any by-law made under this section may provide that any contravention thereof shall be punishable with fine which may extend to fifty rupees.

31. Power to write off irrecoverable fee, cess, etc.—A market committee may write off any fee, cess, or other amount whatsoever due to it, whether under a contract or otherwise, or any sum payable in connexion therewith, if in its opinion, such fees, cess, amount or sum is irrecoverable :

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Provided that the market committee shall, before writing off any such fee, cess, amount or sum, obtain the sanction of—

(i) the Director, if the fee, cess, amount or sum exceeds one hundred rupees, but does not exceed such amount or sum as may be prescribed by rules made under this Act; and

(ii) the Government, if such amount or sum exceeds the amount or sum so prescribed.

32. Trial of offences.—(1) No offence made punishable by this Act or any rule or by-law made thereunder shall be tried by any court inferior to that of a presidency magistrate or a magistrate of the first class.

(2) Any prosecution under this Act may be instituted by any person duly authorized in writing by the market committee in this behalf.

33. Recovery of sums due to Government from market committee.—All sums due from a market committee to the Government may be recovered in the same manner as arrears of land revenue.

34. Power of Government to call for records and pass orders.—(1) The Government may call for and examine the record of any market committee or of the Director or Collector in respect of any proceeding to satisfy themselves as to the regularity of such proceeding or the correctness, legality or propriety of any decision or order passed therein; and, if, in any case, it appears to the Government that any such decision or order should be modified, annulled, reversed or remitted for reconsideration, they may pass orders accordingly :

Provided that, before passing any order under this subsection, the Government—

(i) shall, if such order is likely to be prejudicial to any person, give such person a reasonable opportunity of making his representations; and

(ii) may, at their discretion, consult such authority or officer as they may deem fit.

(2) The Government may stay the execution of any such decision or order pending the exercise of their powers under subsection (1) in respect thereof.

35. Saving.—Nothing in this Act shall apply to any place set up, established or continued by or on behalf of the Central Government or any State Government for the purchase, sale, storage, weighment, pressing or processing of any notified agricultural produce or to the purchase or sale of any notified agricultural produce by or on behalf of the Central Government or any State Government.

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36. Registration of document executed on behalf of a market committee.—(1) Notwithstanding anything contained in the Indian Registration Act, 1908 (Central Act XVI of 1908), it shall not be necessary for the chairman or any member or officer or servant of a market committee or the person referred to in sub-section (1) of section 17 to appear in person or by agent at any registration office in any proceeding connected with the registration of any instrument executed by him in his official capacity or to sign as provided in section 58 of that Act.

(2) Where any instrument is so executed, the registering officer to whom such instrument is presented for registration may, if he thinks fit, refer to such chairman, member, officer, servant or person for information respecting the same and shall, on being satisfied of the execution thereof, register the instrument.

37. Liability of the chairman, vice-chairman and members for loss, waste or misapplication of property.—(1) The chairman, vice-chairman and every member of a market committee shall be liable for the loss, waste or misapplication of any money or other property owned by, or vested in, the market committee, if such loss, waste or misapplication is a direct consequence of his neglect or misconduct; and a suit for compensation may be instituted against him in any court of competent jurisdiction by the market committee with the previous sanction of the Director.

(2) Every such suit shall be commenced within three years after the date on which the cause of action arose.

38. Repeal.—(1) The Madras Commercial Crops Markets Act, 1933 (Madras Act XX of 1933) [in sub-section (2) referred to as "the said Act"] is hereby repealed.

(2) Notwithstanding the repeal of the said Act, any area declared to be a notified area under the said Act shall be deemed to be a notified area under this Act, any market committee established for the said notified area under the said Act and holding office immediately before the date of the commencement of this Act shall be deemed to be a market committee established under this Act for the said notified area, all the members of such market committee shall be deemed to be members appointed by the Government or elected under this Act and any market established under the said Act shall be deemed to be a market established under this Act.

FORT. ST. GEORGE,
MADRAS,
5th August 1959.

T. HANUMANTHAPPA,
Secretary, Legislature Department.

